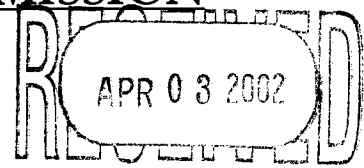
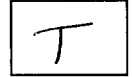


**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

ARIZONA CORPORATION  
COMMISSION



**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**



W-01976A  
TALL PINE ESTATES WATER & IMPROVEMENT  
ASSOCIATION  
HC 31 BOX 25  
MORMON LAKE AZ 86038-

**ANNUAL REPORT**

**FOR YEAR ENDING**

|           |           |             |
|-----------|-----------|-------------|
| <b>12</b> | <b>31</b> | <b>2001</b> |
|-----------|-----------|-------------|

**FOR COMMISSION USE**

|              |           |
|--------------|-----------|
| <b>ANN04</b> | <b>01</b> |
|--------------|-----------|

Processed by:

4-5-02 om

SCANNED

## COMPANY INFORMATION

|   |  |  |
|---|--|--|
| Company Name (Business Name) <u>Tall Pine Estates Water and Improvements Association, Inc</u> |  |  |
| Mailing Address <u>HC 31 Box 25</u>   |  |  |
| <u>Mormon Lake,</u><br>(City)   | <u>AZ</u><br>(State)                               | <u>86038</u><br>(Zip)                            |
| <u>928-354-2699</u><br>Telephone No. (Include Area Code)                                      | <u>928-354-2699</u><br>Fax No. (Include Area Code) | <u>N/A</u><br>Pager/Cell No. (Include Area Code) |
| Email Address <u>N/A</u>  |  |  |
| Local Office Mailing Address <u>Same as Above</u>   |  |  |
| <br>(City)  | <br>(State)  | <br>(Zip)  |
| <br>Local Office Telephone No. (Include Area Code)  | <br>Fax No. (Include Area Code)                    | <br>Pager/Cell No. (Include Area Code)           |
| Email Address _____   |  |  |

## MANAGEMENT INFORMATION

|  |  |  |                       |
|--|--|--|-----------------------|
| Management Contact: <u>Clark Franz</u>                   |  | <u>Water Operator</u>                            |                       |
| (Name)   |  | (Title)  |                       |
| <u>HC 31 Box 25</u><br>(Street)                          | <u>Mormon Lake</u><br>(City)                       | <u>AZ</u><br>(State)                             | <u>86038</u><br>(Zip) |
| <u>928-354-2513</u><br>Telephone No. (Include Area Code) | <u>928-354-2699</u><br>Fax No. (Include Area Code) | <u>N/A</u><br>Pager/Cell No. (Include Area Code) |                       |
| Email Address _____                                      |  |  |                       |
| On Site Manager: <u>Same as Above -</u>                  |  |  |                       |
| (Name)   |  |  |                       |
| <br>(Street)   | <br>(City)   | <br>(State)                                      | <br>(Zip)             |
| <br>Telephone No. (Include Area Code)                    | <br>Fax No. (Include Area Code)                    | <br>Pager/Cell No. (Include Area Code)           |                       |
| Email Address _____                                      |  |  |                       |

Statutory Agent: Shera Lyon  
(Name)

HC 31 Box 25 Mormon Lake, AZ 86038  
(Street) (City) (State) (Zip)

928-354-2699 928-354-2699 N/A  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Street) (City) (State) (Zip)

\_\_\_\_\_  
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |                                   |  |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE  | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM   | <input type="checkbox"/> GREENLEE            |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE              |
| <input type="checkbox"/> NAVAJO     | <input type="checkbox"/> PIMA     | <input type="checkbox"/> PINAL               |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI  | <input type="checkbox"/> YUMA                |
| <input type="checkbox"/> STATEWIDE  |                                   |  |

UTILITY PLANT IN SERVICE

| Acct.<br>No. | DESCRIPTION                               | Original<br>Cost (OC) | Accumulated<br>Depreciation<br>(AD) | O.C.L.D.<br>(OC less AD) |
|--------------|---|-----------------------|-------------------------------------|--------------------------|
| 301          | Organization                              |                       |                                     |                          |
| 302          | Franchises                                |                       |                                     |                          |
| 303          | Land and Land Rights                      |                       |                                     |                          |
| 304          | Structures and Improvements               | 3,957                 | 3,358                               | 599                      |
| 307          | Wells and Springs                         |                       |                                     |                          |
| 311          | Pumping Equipment                         | 14,251                | 13,850                              | 401                      |
| 320          | Water Treatment Equipment                 |                       |                                     |                          |
| 330          | Distribution Reservoirs and<br>Standpipes | 36,070                | 29,949                              | 6,121                    |
| 331          | Transmission and Distribution Mains       |                       |                                     |                          |
| 333          | Services                                  |                       |                                     |                          |
| 334          | Meters and Meter Installations            |                       |                                     |                          |
| 335          | Hydrants                                  | 896                   | 896                                 | -0-                      |
| 336          | Backflow Prevention Devices               |                       |                                     |                          |
| 339          | Other Plant and Misc. Equipment           | 9,508                 | 6,241                               | 3,267                    |
| 340          | Office Furniture and Equipment            |                       |                                     |                          |
| 341          | Transportation Equipment                  |                       |                                     |                          |
| 343          | Tools, Shop and Garage Equipment          |                       |                                     |                          |
| 344          | Laboratory Equipment                      |                       |                                     |                          |
| 345          | Power Operated Equipment                  |                       |                                     |                          |
| 346          | Communication Equipment                   |                       |                                     |                          |
| 347          | Miscellaneous Equipment                   | 4,934                 | 1,801                               | 3,133                    |
| 348          | Other Tangible Plant                      |                       |                                     |                          |
|              | <b>TOTALS</b>                             | <b>69,616</b>         | <b>56,096</b>                       | <b>13,520</b>            |

This amount goes on the Balance Sheet Acct. No. 108



COMPANY NAME

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

| Acct.<br>No. | DESCRIPTION                            | Original<br>Cost (1) | Depreciation<br>Percentage<br>(2) | Depreciation<br>Expense<br>(1x2) |
|--------------|--|----------------------|-----------------------------------|----------------------------------|
| 301          | Organization                           |                      |                                   |                                  |
| 302          | Franchises                             |                      |                                   |                                  |
| 303          | Land and Land Rights                   |                      |                                   |                                  |
| 304          | Structures and Improvements            |                      |                                   |                                  |
| 307          | Wells and Springs                      |                      |                                   |                                  |
| 311          | Pumping Equipment                      |                      |                                   |                                  |
| 320          | Water Treatment Equipment              |                      |                                   |                                  |
| 330          | Distribution Reservoirs and Standpipes |                      |                                   |                                  |
| 331          | Transmission and Distribution Mains    |                      |                                   |                                  |
| 333          | Services                               |                      |                                   |                                  |
| 334          | Meters and Meter Installations         |                      |                                   |                                  |
| 335          | Hydrants                               |                      |                                   |                                  |
| 336          | Backflow Prevention Devices            |                      |                                   |                                  |
| 339          | Other Plant and Misc. Equipment        |                      |                                   |                                  |
| 340          | Office Furniture and Equipment         |                      |                                   |                                  |
| 341          | Transportation Equipment               |                      |                                   |                                  |
| 343          | Tools, Shop and Garage Equipment       |                      |                                   |                                  |
| 344          | Laboratory Equipment                   |                      |                                   |                                  |
| 345          | Power Operated Equipment               |                      |                                   |                                  |
| 346          | Communication Equipment                |                      |                                   |                                  |
| 347          | Miscellaneous Equipment                |                      |                                   |                                  |
| 348          | Other Tangible Plant                   |                      |                                   |                                  |
|              | <b>TOTALS</b>                          |                      |                                   | <b>3,290.86</b>                  |

*See attached  
Schedule for depreciation  
Calculations*

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.

ID# 86-  
COMPANY # TPEW

PPD BY SABA'S

| ASSET NO.  | DESCRIPTION        | PLC      | DATE    | METHOD |          | 1   | ORIG COST | DEPR BASIS | BEGIN A/D | CURRENT DEP | ENDING A/D  |             |
|--|--------------------|----------|---------|--------|----------|-----|-----------|------------|-----------|-------------|-------------|-------------|
|  |                    | BU%      | LIFE    | 4797   | PTC      | N/U | 2         | ITC BASIS  | ITC AVAIL | ITC BAS RED | REDUC RECOV | SEC 179 EXP |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| Structures & Improve (C1) - Acct. (none)                                     |                    |          |         |        |          |     |           |            |           |             |             |             |
| 1.00   | Building           | 08/15/66 | SL      |        |          |     | 1         | 1,849.00   | 1,849.00  | 1,348.69    | 46.23       | 1,394.92    |
|  |                    | 40       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 8.00   | Cable              | 10/12/89 | MACRS-Y |        |          |     | 1         | 979.00     | 979.00    | 776.54      | 57.85       | 834.39      |
|  |                    | 15       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| Note: Declining balance method switched to SL using \$202.46 over 42 months. |                    |          |         |        |          |     |           |            |           |             |             |             |
| 15.00  | Fence              | 01/01/94 | SL      |        |          |     | 1         | 1,129.00   | 1,129.00  | 1,129.00    | 0.00        | 1,129.00    |
|  |                    | 10       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| * Acct. (none) *   |                    |          |         | 3      | asset(s) |     | 1         | 3,957.00   | 3,957.00  | 3,254.23    | 104.08      | 3,358.31    |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| ** Structures & Improve (C1) **  |                    |          |         | 3      | asset(s) |     | 1         | 3,957.00   | 3,957.00  | 3,254.23    | 104.08      | 3,358.31    |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| Electric Pumping Equi (C2) - Acct. (none)                                    |                    |          |         |        |          |     |           |            |           |             |             |             |
| 4.00   | Water Pump         | 08/15/85 | ACRS    |        |          |     | 1         | 1,601.00   | 1,601.00  | 1,601.00    | 0.00        | 1,601.00    |
|  |                    | 5        | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 9.00   | Water Pump         | 09/25/89 | MACRS-Y |        |          |     | 1         | 2,120.00   | 2,120.00  | 2,120.00    | 0.00        | 2,120.00    |
|  |                    | 7        | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 11.00  | Electric Pumping   | 01/01/87 | MACRS-Y |        |          |     | 1         | 6,524.00   | 6,524.00  | 6,524.00    | 0.00        | 6,524.00    |
|  |                    | 7        | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 16.00  | Water Pump         | 01/01/95 | SL      |        |          |     | 1         | 4,006.00   | 4,006.00  | 3,605.40    | 0.00        | 3,605.40    |
|  |                    | 5        | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| * Acct. (none) *   |                    |          |         | 4      | asset(s) |     | 1         | 14,251.00  | 14,251.00 | 13,850.40   | 0.00        | 13,850.40   |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| ** Electric Pumping Equi (C2) **   |                    |          |         | 4      | asset(s) |     | 1         | 14,251.00  | 14,251.00 | 13,850.40   | 0.00        | 13,850.40   |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| Dist. reservoirs (C3) - Acct. (none)   |                    |          |         |        |          |     |           |            |           |             |             |             |
| 2.00   | Water System       | 08/15/65 | SL      |        |          |     | 1         | 13,327.00  | 13,327.00 | 9,516.62    | 266.54      | 9,783.16    |
|  |                    | 50       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 6.00   | Water Tank         | 08/14/87 | MACRS-Y |        |          |     | 1         | 2,632.00   | 2,632.00  | 2,399.00    | 155.33      | 2,554.33    |
|  |                    | 15       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| Note: Declining balance method switched to SL using \$233.00 over 18 months. |                    |          |         |        |          |     |           |            |           |             |             |             |
| 10.00  | Water Tank         | 01/01/91 | MACRS-Y |        |          |     | 1         | 3,448.00   | 3,448.00  | 3,335.00    | 113.00      | 3,448.00    |
|  |                    | 10       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| Note: Declining balance method switched to SL using \$113.00 over 6 months.  |                    |          |         |        |          |     |           |            |           |             |             |             |
| 14.00  | Water Tank         | 01/01/93 | SL-Y    |        |          |     | 1         | 16,663.00  | 16,663.00 | 12,496.90   | 1,666.30    | 14,163.20   |
|  |                    | 10       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| * Acct. (none) *   |                    |          |         | 4      | asset(s) |     | 1         | 36,070.00  | 36,070.00 | 27,747.52   | 2,201.17    | 29,948.69   |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| ** Dist. reservoirs (C3) **  |                    |          |         | 4      | asset(s) |     | 1         | 36,070.00  | 36,070.00 | 27,747.52   | 2,201.17    | 29,948.69   |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| Other Plant&Misc Equi (C4) - Acct. (none)                                    |                    |          |         |        |          |     |           |            |           |             |             |             |
| 3.00   | System expansion   | 08/15/80 | SL      |        |          |     | 1         | 5,821.00   | 5,821.00  | 2,438.26    | 116.42      | 2,554.68    |
|  |                    | 50       | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 5.00   | System Improvement | 08/15/85 | SL      |        |          |     | 1         | 463.00     | 463.00    | 463.00      | 0.00        | 463.00      |
|  |                    | 5        | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 7.00   | System Improvement | 08/14/87 | MACRS-Y |        |          |     | 1         | 2,652.00   | 2,652.00  | 2,652.00    | 0.00        | 2,652.00    |
|  |                    | 7        | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| 13.00  | Compressor         | 01/01/88 | MACRS-Y |        |          |     | 1         | 572.00     | 572.00    | 572.00      | 0.00        | 572.00      |
|  |                    | 7        | 45      | 0      |          | New | 2         | 0.00       | 0.00      | 0.00        | 0.00        | 0.00        |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| * Acct. (none) *   |                    |          |         | 4      | asset(s) |     | 1         | 9,508.00   | 9,508.00  | 6,125.26    | 116.42      | 6,241.68    |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| ** Other Plant&Misc Equi (C4) **   |                    |          |         | 4      | asset(s) |     | 1         | 9,508.00   | 9,508.00  | 6,125.26    | 116.42      | 6,241.68    |
| -----  |                    |          |         |        |          |     |           |            |           |             |             |             |
| Hydrants (C5) - Acct. (none)   |                    |          |         |        |          |     |           |            |           |             |             |             |

Year Ended 12/31/2001

PPD BY SABA'S

| ASSET NO.                           | DESCRIPTION            | PLC DATE | METHOD       | 1  | 2        | ORIG COST | DEPR BASIS | BEGIN A/D   | CURRENT DEP | ENDING A/D  |
|-------------------------------------|------------------------|----------|--------------|----|----------|-----------|------------|-------------|-------------|-------------|
|                                     |                        | BU% LIFE | 4797 PTC N/U |    |          | ITC BASIS | ITC AVAIL  | ITC BAS RED | REDUC RECOV | SEC 179 EXP |
| 12.00                               | Fire Hydrants          | 01/01/88 | MACRS-Y      | 1  |          | 896.00    | 896.00     | 896.00      | 0.00        | 896.00      |
|                                     |                        | 7        | 45 0 New     | 2  |          | 0.00      | 0.00       | 0.00        | 0.00        | 0.00        |
| * Acct. (none) *                    |                        |          |              | 1  |          | 896.00    | 896.00     | 896.00      | 0.00        | 896.00      |
| ** Hydrants (C6) **                 |                        |          |              | 1  |          | 896.00    | 896.00     | 896.00      | 0.00        | 896.00      |
| Misc. Equipment (C6) - Acct. (none) |                        |          |              |    |          |           |            |             |             |             |
| 17.00                               | Generator              | 12/01/99 | MACRS-Q      | 1  |          | 4,102.00  | 4,102.00   | 902.44      | 639.91      | 1,542.35    |
|                                     |                        | 10       | 45 0 New     | 2  |          | 0.00      | 0.00       | 0.00        | 0.00        | 0.00        |
| 18.00                               | 3/4 HP Air Compressor  | 10/02/00 | MACRS-Q      | 1  |          | 531.48    | 531.48     | 18.98       | 146.43      | 165.41      |
|                                     |                        | 7        | 45 0 New     | 2  |          | 0.00      | 0.00       | 0.00        | 0.00        | 0.00        |
| 19.00                               | 2HP Pancake Compressor | 10/02/00 | MACRS-Q      | 1  |          | 300.71    | 300.71     | 10.74       | 82.85       | 93.59       |
|                                     |                        | 7        | 45 0 New     | 2  |          | 0.00      | 0.00       | 0.00        | 0.00        | 0.00        |
| * Acct. (none) *                    |                        |          |              | 3  | asset(s) | 4,934.19  | 4,934.19   | 932.16      | 869.19      | 1,801.35    |
| ** Misc. Equipment (C6) **          |                        |          |              | 3  | asset(s) | 4,934.19  | 4,934.19   | 932.16      | 869.19      | 1,801.35    |
| GRAND TOTALS                        |                        |          |              | 19 | asset(s) | 69,616.19 | 69,616.19  | 52,805.57   | 3,290.86    | 56,096.43   |

----- ASSET SUMMARY -----

|                     | Assets | Original Cost        | Depreciable Basis |
|---------------------|--------|----------------------|-------------------|
| Beginning           | 19     | 69,616.19            | 69,616.19         |
| Additions-Full Cost | 0      | 0.00                 | 0.00              |
| Dispositions        | 0      | 0.00                 | 0.00              |
| IRC 179 Expense     |        |                      | 0.00              |
| ITC Basis Reduction |        |                      | 0.00              |
| Reduction Recovery  |        |                      | 0.00              |
| Ending              | 19     | 69,616.19            | 69,616.19         |
| -----               |        |                      |                   |
|                     |        | Depreciation+179 Ex. | Depreciation      |
| Beginning           |        | 52,805.57            | 52,805.57         |
| Current             |        | 3,290.86             | 3,290.86          |
| Bonus               |        | 0.00                 | 0.00              |
| Dispositions        |        | 0.00                 | 0.00              |
| Ending              |        | 56,096.43            | 56,096.43         |

Method codes: M, Q, Y=Mid-month, -quarter, half-year convention; A=Luxry auto;  
AB=Adj basis; Am=Amortized; B=Electric vehicle; D=Purchase date; E=Empwrment  
zone pty; F=Farm pty; H=Low income hsng; I=Indian reservation pty; L=Listed;  
PU=Public utility pty; S=Use subst basis; X=IRS like kind exchange rules

**BALANCE SHEET**

| Acct.<br>No. |   | BALANCE AT<br>BEGINNING OF<br>YEAR | BALANCE AT<br>END OF<br>YEAR |
|--------------|---|------------------------------------|------------------------------|
|              | <b>ASSETS</b>                               |                                    |                              |
|              | <b>CURRENT AND ACCRUED ASSETS</b>           |                                    |                              |
| 131          | Cash  | \$ 52,703                          | \$ 46,215                    |
| 134          | Working Funds                               |                                    |                              |
| 135          | Temporary Cash Investments                  |                                    |                              |
| 141          | Customer Accounts Receivable                | 0                                  | 200                          |
| 146          | Notes/Receivables from Associated Companies |                                    |                              |
| 151          | Plant Material and Supplies                 |                                    |                              |
| 162          | Prepayments                                 |                                    |                              |
| 174          | Miscellaneous Current and Accrued Assets    |                                    |                              |
|              | <b>TOTAL CURRENT AND ACCRUED ASSETS</b>     | \$                                 | \$                           |
|              | <b>FIXED ASSETS</b>                         |                                    |                              |
| 101          | Utility Plant in Service                    | \$ 69,616                          | \$ 69,616                    |
| 103          | Property Held for Future Use                |                                    |                              |
| 105          | Construction Work in Progress               |                                    |                              |
| 108          | Accumulated Depreciation -- Utility Plant   | (52,805)                           | (56,096)                     |
| 121          | Non-Utility Property                        |                                    |                              |
| 122          | Accumulated Depreciation -- Non Utility     |                                    |                              |
|              | <b>TOTAL FIXED ASSETS</b>                   | \$ 16,812                          | \$ 13,520                    |
|              | <b>TOTAL ASSETS</b>                         | \$ 69,515                          | \$ 59,935                    |

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.



**BALANCE SHEET (CONTINUED)**

| Acct.<br>No. |   | BALANCE AT<br>BEGINNING OF<br>YEAR | BALANCE AT<br>END OF<br>YEAR |
|--------------|---|------------------------------------|------------------------------|
|              | <b>LIABILITIES</b>                                |                                    |                              |
|              | <b>CURRENT LIABILITES</b>                         |                                    |                              |
| 231          | Accounts Payable                                  | \$                                 | \$                           |
| 232          | Notes Payable (Current Portion)                   |                                    |                              |
| 234          | Notes/Accounts Payable to Associated Companies    |                                    |                              |
| 235          | Customer Deposits                                 |                                    |                              |
| 236          | Accrued Taxes                                     |                                    |                              |
| 237          | Accrued Interest                                  |                                    |                              |
| 241          | Miscellaneous Current and Accrued Liabilities     | 17                                 | 93                           |
|              | <b>TOTAL CURRENT LIABILITIES</b>                  | \$                                 | \$                           |
|              | <b>LONG-TERM DEBT (Over 12 Months)</b>            |                                    |                              |
| 224          | Long-Term Notes and Bonds                         | \$                                 | \$                           |
|              | <b>DEFERRED CREDITS</b>                           |                                    |                              |
| 251          | Unamortized Premium on Debt                       | \$                                 | \$                           |
| 252          | Advances in Aid of Construction                   |                                    |                              |
| 255          | Accumulated Deferred Investment Tax Credits       |                                    |                              |
| 271          | Contributions in Aid of Construction              |                                    |                              |
| 272          | Less: Amortization of Contributions               |                                    |                              |
| 281          | Accumulated Deferred Income Tax                   |                                    |                              |
|              | <b>TOTAL DEFERRED CREDITS</b>                     | \$                                 | \$                           |
|              | <b>TOTAL LIABILITIES</b>                          | \$                                 | \$                           |
|              | <b>CAPITAL ACCOUNTS</b>                           |                                    |                              |
| 201          | Common Stock Issued                               | \$                                 | \$                           |
| 211          | Paid in Capital in Excess of Par Value            |                                    |                              |
| 215          | Retained Earnings                                 | 69,498                             | 59,842                       |
| 218          | Proprietary Capital (Sole Props and Partnerships) |                                    |                              |
|              | <b>TOTAL CAPITAL</b>                              | \$                                 | \$                           |
|              | <b>TOTAL LIABILITIES AND CAPITAL</b>              | \$ 69,515                          | \$ 59,935                    |

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

| Acct. No. | OPERATING REVENUES                        | PRIOR YEAR | CURRENT YEAR |
|-----------|---|------------|--------------|
| 461       | Metered Water Revenue                     | \$         | \$           |
| 460       | Unmetered Water Revenue                   | 13,700     | 12,400       |
| 474       | Other Water Revenues                      |            |              |
|           | <b>TOTAL REVENUES</b>                     | \$         | \$           |
|           |   |            |              |
|           | <b>OPERATING EXPENSES</b>                 |            |              |
| 601       | Salaries and Wages                        | \$ 4,000   | \$ 4,000     |
| 610       | Purchased Water                           |            |              |
| 615       | Purchased Power                           | 593        | 585          |
| 618       | Chemicals                                 |            |              |
| 620       | Repairs and Maintenance                   | 978        | 11,850       |
| 621       | Office Supplies and Expense               | 275        | 105          |
| 630       | Outside Services                          |            |              |
| 635       | Water Testing                             | 242        | 233          |
| 641       | Rents                                     |            |              |
| 650       | Transportation Expenses                   | 110        | - 0 -        |
| 657       | Insurance - General Liability             | 2511       | 2509         |
| 659       | Insurance - Health and Life               | 565        | - 0 -        |
| 666       | Regulatory Commission Expense - Rate Case |            |              |
| 675       | Miscellaneous Expense                     | 60         | 188          |
| 403       | Depreciation Expense                      | 3,476      | 3,291        |
| 408       | Taxes Other Than Income                   | 530        | 449          |
| 408.11    | Property Taxes                            | 584        | 546          |
| 409       | Income Tax                                |            |              |
|           | <b>TOTAL OPERATING EXPENSES</b>           | \$ 13,924  | \$ 23,756    |
|           |   |            |              |
|           | <b>OTHER INCOME/EXPENSE</b>               |            |              |
| 419       | Interest and Dividend Income              | \$ 2,141   | \$ 1,701     |
| 421       | Non-Utility Income                        |            |              |
| 426       | Miscellaneous Non-Utility Expenses        |            |              |
| 427       | Interest Expense                          |            |              |
|           | <b>TOTAL OTHER INCOME/EXP</b>             | \$ 2,141   | \$ 1,701     |
|           |   |            |              |
|           | <b>NET INCOME/(LOSS)</b>                  | \$ 1,917   | \$ (9,556)   |

COMPANY NAME

**SUPPLEMENTAL FINANCIAL DATA**  
**Long-Term Debt**

N/A

|                        | LOAN #1         | LOAN #2       | LOAN #3       | LOAN #4       |
|------------------------|-----------------|---------------|---------------|---------------|
| Date Issued            |                 |               |               |               |
| Source of Loan         |                 |               |               |               |
| ACC Decision No.       |                 |               |               |               |
| Reason for Loan        |                 |               |               |               |
| Dollar Amount Issued   | \$              | \$            | \$            | \$            |
| Amount Outstanding     | \$ <del>0</del> | <del>\$</del> | <del>\$</del> | <del>\$</del> |
| Date of Maturity       |                 |               |               |               |
| Interest Rate          |                 |               |               |               |
| Current Year Interest  | \$ <del>0</del> | <del>\$</del> | <del>\$</del> | <del>\$</del> |
| Current Year Principle | \$ <del>0</del> | <del>\$</del> | <del>\$</del> | <del>\$</del> |

Meter Deposit Balance at Test Year End

\$

~~0~~

Meter Deposits Refunded During the Test Year

\$

~~0~~

COMPANY NAME

## WATER COMPANY PLANT DESCRIPTION

### WELLS

| ADWR ID Number | Pump<br>Horsepower | Pump Yield<br>(Gpm) | Casing Size<br>(inches) | Meter Size<br>(inches) |
|----------------|--------------------|---------------------|-------------------------|------------------------|
| 55- 9 (18-09)  | 3                  | 80                  | 8"                      | N/A                    |
| 55- 28C80-1    | 3                  | 80                  | 8"                      | 1                      |
| 55- CR 8-400   | 3                  | 80                  | 8"                      | 1                      |
|                |                    |                     |                         |                        |
|                |                    |                     |                         |                        |
|                |                    |                     |                         |                        |

### OTHER WATER SOURCES

| Name or Description | Capacity<br>(gpm) | Gallons Purchased or Obtained<br>(in thousands) |
|---------------------|-------------------|---|
|                     |                   |   |
|                     |                   |   |

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = N/A Not Metered.

| BOOSTER PUMPS |          | FIRE HYDRANTS     |                |
|---------------|----------|-------------------|----------------|
| Horsepower    | Quantity | Quantity Standard | Quantity Other |
|               |          |                   |                |
|               |          |                   |                |
|               |          |                   |                |
|               |          |                   |                |

| STORAGE TANKS |          | PRESSURE TANKS |          |
|---------------|----------|----------------|----------|
| Capacity      | Quantity | Capacity       | Quantity |
|               |          |                |          |
|               |          |                |          |
|               |          |                |          |
|               |          |                |          |

## STATISTICAL INFORMATION

Total number of customers 62

Total number of gallons sold - Not Metered - gallons

COMPANY NAME \_\_\_\_\_

YEAR ENDING 12/31/2001

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported  
Estimated or Actual Federal Tax Liability- 0 -  
- 0 -State Taxable Income Reported  
Estimated or Actual State Tax Liability- 0 -  
- 0 -

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances  
Amount of Gross-Up Tax Collected  
Total Grossed-Up Contributions/Advances- 0 -  
- 0 -  
- 0 -

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE3/25/02  
DATESherri Lyon  
PRINTED NAMESecretary / Treasurer  
TITLEChris Parish  
Signature  
Chris Parish  
Printed Name3/28/02  
Date  
President  
Title*Non-profit  
- tax exempt -*

COMPANY NAME \_\_\_\_\_ YEAR ENDING 12/31/2001

**WATER AND SEWER  
UTILITIES ONLY**

**PROPERTY TAXES**

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2001)

\$ 546.16

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

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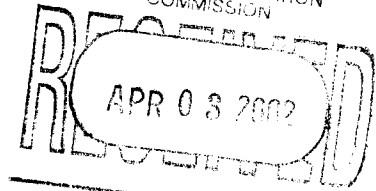
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**VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only**

ARIZONA CORPORATION  
COMMISSION



**VERIFICATION**

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

|                                |   |
|--------------------------------|---|
| COUNTY OF (COUNTY NAME)        | <u>Coconino</u>   |
| NAME (OWNER OR OFFICIAL) TITLE | <u>Sherra Lyon</u>  |
| COMPANY NAME                   | <u>Tall Pine Estates Water and Improvements Association, Inc.</u> |

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

|           |           |             |
|-----------|-----------|-------------|
| MONTH     | DAY       | YEAR        |
| <u>12</u> | <u>31</u> | <u>2001</u> |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2001 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 12,400

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ -0-

IN SALES TAXES BILLED, OR COLLECTED

**\*\*REVENUE REPORTED ON THIS PAGE MUST  
INCLUDE SALES TAXES BILLED OR  
COLLECTED. IF FOR ANY OTHER REASON,  
THE REVENUE REPORTED ABOVE DOES NOT  
AGREE WITH TOTAL OPERATING REVENUES  
ELSEWHERE REPORTED, ATTACH THOSE  
STATEMENTS THAT RECONCILE THE  
DIFFERENCE. (EXPLAIN IN DETAIL)**

Sherra Lyon  
SIGNATURE OF OWNER OR OFFICIAL  
928-354-2699  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

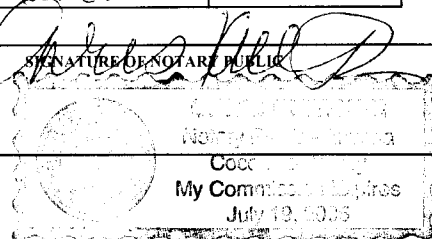
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 26 DAY OF

|             |                 |             |
|-------------|-----------------|-------------|
| COUNTY NAME | <u>COCONINO</u> |             |
| MONTH       | <u>March</u>    | <u>2002</u> |

(SEAL)

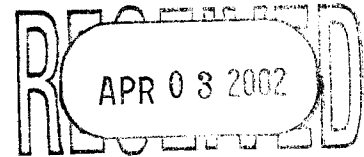
MY COMMISSION EXPIRES 7/19/2005





**VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION  
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

|  |             |                                |
|--|-------------|--------------------------------|
| (COUNTY NAME)  | Coconino    |                                |
| NAME (OWNER OR OFFICIAL)   | Sherra Lyon | TITLE<br>Secretary / Treasurer |
| COMPANY NAME<br>Tall Pine Estates Water and Improvements Association, Inc. |             |                                |

|       |     |      |
|-------|-----|------|
| MONTH | DAY | YEAR |
| 12    | 31  | 2001 |

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

**SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2001 WAS:

|   |
|---|
| ARIZONA INTRASTATE GROSS OPERATING REVENUES |
| \$ 12,200                                   |

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ - 0 -  
IN SALES TAXES BILLED, OR COLLECTED

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

X   
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

|    |
|----|
| 26 |
|----|

DAY OF

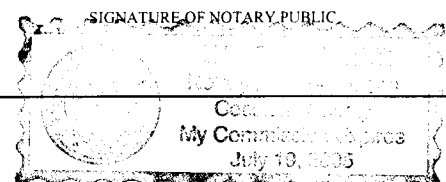
(SEAL)

MY COMMISSION EXPIRES

7-19-2005

|                                     |       |
|-------------------------------------|-------|
| NOTARY PUBLIC NAME<br>Chris Kuehler |       |
| COUNTY NAME<br>COCONINO             |       |
| MONTH<br>March                      | 20 02 |

X



**TALL PINE ESTATES WTR/IMPROV ASSN. INC.**

HC 31, BOX 35 520-354-2543  
MORMON LAKE, AZ 86038

1185

PAY  
TO THE  
ORDER OF

Coconino County Treasurer

DATE 10/31/01

91-5106  
1201

Five hundred forty Six and 14/100

DOLLARS

**BANK ONE.**

Bank One, Arizona, NA  
Flagstaff Milton Road Office (106)  
Flagstaff, Arizona

2001 Pmt to

FOR 934-00-110T8 # 934-00-1009

John Ly

⑈001185⑈ ⑈122100024⑈

1071-8-08

20000054811

COCONINO COUNTY  
FOR DEPOSIT ONLY  
11-20-01  
122100024  
PAY TO THE ORDER OF

11  
11  
11  
11

1071-8-08  
1071-8-08